

106TH CONGRESS
2D SESSION

H. R. 4746

To establish a program to preserve, rehabilitate, and improve certain railroad tracks and bridges using funds collected through the diesel fuel tax, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2000

Mr. BACHUS (for himself, Mr. CLEMENT, Mr. BOEHLERT, Mr. DEFazio, Mr. FRANKS of New Jersey, Mr. KLECZKA, Mr. FOLEY, Mr. DOOLEY of California, Mr. SWEENEY, Mr. McHUGH, Mr. SCARBOROUGH, and Mr. FILLNER) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a program to preserve, rehabilitate, and improve certain railroad tracks and bridges using funds collected through the diesel fuel tax, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Emergency Rural and
5 Small Railroad Preservation Act”.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

3 (1) a well-developed system of transportation
4 and infrastructure is critical to the economic well
5 being, health, and welfare of the United States;

6 (2) a national emergency exists that threatens
7 the survival of essential rail transportation infra-
8 structure, especially infrastructure serving rural
9 areas of the country;

10 (3) a failure to address the growing crisis will
11 result in rail line abandonments which will add to
12 highway costs and congestion, thus increasing high-
13 way traffic that will lead to a degradation of safety,
14 increase environmental damage, and further eco-
15 nomically disadvantage rural areas of the country;

16 (4) traditional funding techniques are unable to
17 keep pace with the rail infrastructure investment
18 needs in rural areas, including the requirement to
19 upgrade track and bridges, to ensure safety, and to
20 accommodate 286,000 pound freight cars;

21 (5) the requirement that railroads pay a 4.3-
22 cent diesel fuel excise tax into the general fund of
23 the Treasury, while similar taxes on competing
24 modes of transportation improve the infrastructures
25 for those competing modes, is inequitable; and

1 (6) a temporary Federal program utilizing the
2 proceeds of the 4.3-cent railroad fuel tax to address
3 the national emergency and preserve freight rail
4 service is in the national interest as long as the 4.3-
5 cent diesel tax on railroads is in existence.

6 **SEC. 3. ESTABLISHMENT OF PROGRAM.**

7 (a) ESTABLISHMENT.—The Secretary of Transpor-
8 tation shall establish a program to preserve, rehabilitate,
9 and improve rail tracks and bridges of Class II and III
10 freight railroads to ensure that such railroads can be oper-
11 ated safely and can accommodate 286,000 pound rail cars.

12 (b) ALLOCATION OF FUNDS.—

13 (1) ELIGIBLE RECIPIENTS.—The Secretary
14 shall allocate funds made available to carry out this
15 section to entities making applications to the Sec-
16 retary for such funds, including State and local gov-
17 ernments, government-sponsored authorities and cor-
18 porations, and Class II and III railroads.

19 (2) CRITERIA.—In allocating funds made avail-
20 able to carry out this section, the Secretary shall
21 give priority to applications that—

22 (A) propose the rehabilitation or improve-
23 ment of track and bridges to a condition suffi-
24 cient to accommodate 286,000 pound rail cars
25 at speeds of at least 25 mph; or

(B) are designated by a State Department of Transportation as—

(i) preserving an essential link in the State's transportation network;

(ii) providing a cost efficient alternative to a highway connection or highway project; or

(iii) enhancing safety.

(3) **EQUITABLE DISTRIBUTION.**—In allocating funds to carry out this section, the Secretary shall ensure the equitable distribution of funds to a diversity of geographic regions.

(c) **USE OF FUNDS.**—

(1) **TYPES OF PROJECTS.**—Funds available under this section may be used only for capital rehabilitation and improvement projects to Class II and III rail freight lines to—

(A) upgrade track and bridges to accommodate 286,000 pound freight cars; or

(B) promote essential service and enhance safety.

(2) **TYPES OF FUNDING.**—The Secretary may make direct grants for the purposes stated in paragraph (1), and may make grants to supplement direct loans and loan guarantees under title V of the

1 Railroad Revitalization and Regulatory Reform Act
2 of 1976 (45 U.S.C. 821 et seq.) to provide for such
3 benefits as a holiday on early payments, lowering
4 rates of interest, or paying credit risk premiums or
5 premium risk subsidy amounts in whole or in part.

6 (d) RAILROAD TRUST FUND.—

7 (1) IN GENERAL.—Subchapter A of chapter 98
8 of the Internal Revenue Code of 1986 (relating to
9 trust fund code) is amended by adding at the end
10 the following section:

11 **“SEC. 9511. RAILROAD TRUST FUND.**

12 “(a) CREATION OF TRUST FUND.—There is estab-
13 lished in the Treasury of the United States a trust fund
14 to be known as the ‘Railroad Trust Fund’, consisting of
15 any amount appropriated or credited to the Trust Fund
16 as provided in this section or section 9602(b).

17 “(b) TRANSFERS TO TRUST FUND.—There are here-
18 by appropriated to the Railroad Trust Fund amounts
19 equivalent to the taxes received in the Treasury under
20 clause (ii) of section 4041(a)(1)(C) (relating to rate of tax
21 on trains).

22 “(c) EXPENDITURES.—Amounts in the Railroad
23 Trust Fund shall be available, as provided by appropria-
24 tion Acts, for making expenditures under the Emergency

1 Rural and Small Railroad Preservation Act, as in effect
2 on the date of the enactment of this section.”.

3 (2) CLERICAL AMENDMENT.—The table of sec-
4 tions for subchapter A of chapter 98 of such Code
5 is amended by adding at the end the following new
6 item:

“Sec. 9511. Railroad Trust Fund.”.

7 (3) EFFECTIVE DATE.—The amendments made
8 by this subsection shall apply to amounts received
9 after the date of the enactment of this Act.

10 (e) ADMINISTRATION.—The Secretary shall give pri-
11 ority to projects that are economically viable, and shall
12 require a non-Federal matching contribution of at least
13 10 percent. The Secretary shall make grants available no
14 later than 90 days following the availability of appropria-
15 tions for each fiscal year.

16 (f) STUDY.—Section 22301(d) of title 49, United
17 States Code, is amended by inserting “, and of projects
18 carried out with assistance under the Emergency Rural
19 and Small Railroad Preservation Act,” after “under this
20 section”.

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